

112TH CONGRESS  
1ST SESSION

# S. 809

To provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

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IN THE SENATE OF THE UNITED STATES

APRIL 13, 2011

Mr. DURBIN (for himself, Mr. KIRK, and Ms. LANDRIEU) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To provide high-quality public charter school options for students by enabling such public charter schools to expand and replicate.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “All Students Achieving  
5 through Reform Act of 2011” or “All-STAR Act of 2011”.

6 **SEC. 2. CHARTER SCHOOL EXPANSION AND REPLICATION.**

7 (a) IN GENERAL.—Subpart 1 of part B of title V of  
8 the Elementary and Secondary Education Act of 1965 (20  
9 U.S.C. 7221 et seq.) is amended—

1 (1) by striking section 5211;

2 (2) by redesignating section 5210 as section  
3 5211; and

4 (3) by inserting after section 5209 the fol-  
5 lowing:

6 **“SEC. 5210. CHARTER SCHOOL EXPANSION AND REPLICA-**  
7 **TION.**

8 “(a) PURPOSE.—It is the purpose of this section to  
9 support State efforts to expand and replicate high-quality  
10 public charter schools to enable such schools to serve addi-  
11 tional students, with a priority to serve those students who  
12 attend identified schools or schools with a low graduation  
13 rate.

14 “(b) SUPPORT FOR PROVEN CHARTER SCHOOLS AND  
15 INCREASING THE SUPPLY OF HIGH-QUALITY CHARTER  
16 SCHOOLS.—

17 “(1) GRANTS AUTHORIZED.—From the  
18 amounts appropriated under section 5200 for any  
19 fiscal year, the Secretary shall award grants, on a  
20 competitive basis, to eligible entities to enable the el-  
21 igible entities to make subgrants to eligible public  
22 charter schools under subsection (e)(1) and carry  
23 out the other activities described in subsection (e),  
24 in order to allow the eligible public charter schools

1 to serve additional students through the expansion  
2 and replication of such schools.

3 “(2) AMOUNT OF GRANTS.—In determining the  
4 grant amount to be awarded under this subsection  
5 to an eligible entity, the Secretary shall consider—

6 “(A) the number of eligible public charter  
7 schools under the jurisdiction or in the service  
8 area of the eligible entity that are operating;

9 “(B) the number of openings for new stu-  
10 dents that could be created in such schools with  
11 such grant;

12 “(C) the number of students eligible for  
13 free or reduced price lunches under the Richard  
14 B. Russell National School Lunch Act (42  
15 U.S.C. 1751 et seq.) who are on waiting lists  
16 for charter schools under the jurisdiction or in  
17 the service area of the eligible entity, and other  
18 information with respect to charter schools in  
19 such jurisdiction or service area that suggest  
20 the interest of parents in charter school enroll-  
21 ment for their children;

22 “(D) the number of students attending  
23 identified schools or schools with a low gradua-  
24 tion rate in the State or area where an eligible

1           entity intends to replicate or expand eligible  
2           public charter schools; and

3           “(E) the success of the eligible entity in  
4           overseeing public charter schools and the likeli-  
5           hood of continued or increased success because  
6           of the grant under this section.

7           “(3) DURATION OF GRANTS.—A grant under  
8           this section shall be for a period of not more than  
9           3 years, except that an eligible entity receiving such  
10          grant may, at the discretion of the Secretary, con-  
11          tinue to expend grant funds after the end of the  
12          grant period. An eligible entity that has received a  
13          grant under this section may receive subsequent  
14          grants under this section.

15          “(c) APPLICATION REQUIREMENTS.—

16                 “(1) APPLICATION REQUIREMENTS.—To be  
17                 considered for a grant under this section, an eligible  
18                 entity shall submit an application to the Secretary at  
19                 such time, in such manner, and containing such in-  
20                 formation as the Secretary may require.

21                 “(2) CONTENTS.—The application described in  
22                 paragraph (1) shall include, at a minimum, the fol-  
23                 lowing:

24                         “(A) RECORD OF SUCCESS.—Documenta-  
25                         tion of the record of success of the eligible enti-

1 ty in overseeing or operating public charter  
2 schools, including—

3 “(i) the performance of the students  
4 of such public charter schools on the stu-  
5 dent academic assessments described in  
6 section 1111(b)(3) of the State where such  
7 school is located (including a measurement  
8 of the students’ average academic longitu-  
9 dinal growth at each such school, if such  
10 measurement is required by a Federal or  
11 State law applicable to the entity),  
12 disaggregated by—

13 “(I) economic disadvantage;

14 “(II) race and ethnicity;

15 “(III) disability status; and

16 “(IV) status as a student with  
17 limited English proficiency;

18 “(ii) the status of such schools under  
19 section 1116 in making adequate yearly  
20 progress or as identified schools;

21 “(iii) documentation of demonstrated  
22 success by such public charter schools in  
23 closing historic achievement gaps between  
24 groups of students; and

1           “(iv) in the case of such public char-  
2           ter schools that are secondary schools, the  
3           graduation rates and rates of student ac-  
4           ceptance, enrollment, and persistence in in-  
5           stitutions of higher education, where pos-  
6           sible.

7           “(B) PLAN.—A plan for—

8           “(i) replicating and expanding eligible  
9           public charter schools operated or overseen  
10          by the eligible entity;

11          “(ii) identifying eligible public charter  
12          schools, or networks of eligible public char-  
13          ter schools, to receive subgrants under this  
14          section;

15          “(iii) increasing the number of open-  
16          ings in eligible public charter schools for  
17          students attending identified schools and  
18          schools with a low graduation rate;

19          “(iv) ensuring that eligible public  
20          charter schools receiving a subgrant under  
21          this section enroll students through a ran-  
22          dom lottery for admission, unless the char-  
23          ter school is using the subgrant to expand  
24          the school to serve additional grades, in

1 which case such school may reserve seats  
2 in the additional grades for—

3 “(I) each student enrolled in the  
4 grade preceding each such additional  
5 grade;

6 “(II) siblings of students enrolled  
7 in the charter school, if such siblings  
8 desire to enroll in such grade; and

9 “(III) children of the charter  
10 school’s founders, staff, or employees;

11 “(v)(I) in the case of an eligible entity  
12 described in subparagraph (A) or (C) of  
13 subsection (k)(4), the manner in which the  
14 eligible entity will work with identified  
15 schools and schools with a low graduation  
16 rate that are eligible to enroll students in  
17 a public charter school receiving a  
18 subgrant under this section and that are  
19 under the eligible entity’s jurisdiction, and  
20 the local educational agencies serving such  
21 schools, to—

22 “(aa) engage in community out-  
23 reach, provide information in a lan-  
24 guage that the parents can under-  
25 stand, and communicate with parents

1 of students at identified schools and  
2 schools with a low graduation rate  
3 who are eligible to attend a public  
4 charter school receiving a subgrant  
5 under this section about the oppor-  
6 tunity to enroll in or transfer to such  
7 school, in a manner consistent with  
8 section 444 of the General Education  
9 Provisions Act (commonly known as  
10 the ‘Family Educational Rights and  
11 Privacy Act of 1974’); and

12 “(bb) ensure that a student can  
13 transfer to an eligible public charter  
14 school if the public charter school  
15 such student was attending in the  
16 previous school year is no longer an  
17 eligible public charter school; and

18 “(II) in the case of an eligible entity  
19 described in subparagraph (B) or (D) of  
20 subsection (k)(4), the manner in which the  
21 eligible entity will work with the local edu-  
22 cational agency to carry out the activities  
23 described in items (aa) and (bb) of sub-  
24 clause (I);

1           “(vi) disseminating to public schools  
2           under the jurisdiction or in the service  
3           area of the eligible entity, in a manner  
4           consistent with section 444 of the General  
5           Education Provisions Act (commonly  
6           known as the ‘Family Educational Rights  
7           and Privacy Act of 1974’), the best prac-  
8           tices, programs, or strategies learned by  
9           awarding subgrants to eligible public char-  
10          ter schools under this section, with par-  
11          ticular emphasis on the best practices with  
12          respect to—

13                   “(I) focusing on closing the  
14                   achievement gap; or

15                   “(II) successfully addressing the  
16                   education needs of low-income stu-  
17                   dents; and

18          “(vii) in the case of an eligible entity  
19          described in subsection (k)(4)(D)—

20                   “(I) supporting the short-term  
21                   and long-term success of the proposed  
22                   project, by—

23                           “(aa) developing a multi-  
24                           year financial and operating  
25                           model for the eligible entity; and

1           “(bb) including, with the  
2           plan, evidence of the dem-  
3           onstrated commitment of current  
4           partners, as of the time of the  
5           application, for the proposed  
6           project and of broad support  
7           from stakeholders critical to the  
8           project’s long-term success;

9           “(II) closing public charter  
10          schools that do not meet acceptable  
11          standards of performance; and

12          “(III) achieving the objectives of  
13          the proposed project on time and  
14          within budget, which shall include the  
15          use of clearly defined responsibilities,  
16          timelines, and milestones for accom-  
17          plishing project tasks.

18          “(C) CHARTER SCHOOL INFORMATION.—

19          The number of—

20                 “(i) eligible public charter schools that  
21                 are operating in the State in which the eli-  
22                 gible entity intends to award subgrants  
23                 under this section;

1           “(ii) public charter schools approved  
2 to open or likely to open during the grant  
3 period in such State;

4           “(iii) available openings in eligible  
5 public charter schools in such State that  
6 could be created through the replication or  
7 expansion of such schools if the grant is  
8 awarded to the eligible entity;

9           “(iv) students on public charter school  
10 waiting lists (if such lists are available)  
11 in—

12                   “(I) the State in which the eligi-  
13 ble entity intends to award subgrants  
14 under this section; and

15                   “(II) each local educational agen-  
16 cy serving an eligible public charter  
17 school that may receive a subgrant  
18 under this section from the eligible  
19 entity; and

20           “(v) students, and the percentage of  
21 students, in a local educational agency who  
22 are attending eligible public charter schools  
23 that may receive a subgrant under this  
24 section from the eligible entity.

1           “(D) TRADITIONAL PUBLIC SCHOOL IN-  
2           FORMATION.—In the case of an eligible entity  
3           described in subparagraph (A) or (C) of sub-  
4           section (k)(4), a list of the following schools  
5           under the jurisdiction of the eligible entity, in-  
6           cluding the name and location of each such  
7           school, the number and percentage of students  
8           under the jurisdiction of the eligible entity who  
9           are attending such school, and such demo-  
10          graphic and socioeconomic information as the  
11          Secretary may require:

12                   “(i) Identified schools.

13                   “(ii) Schools with a low graduation  
14                   rate.

15          “(E) ASSURANCE.—In the case of an eligi-  
16          ble entity described in subsection (k)(4)(A), an  
17          assurance that the eligible entity will include in  
18          the notifications provided under section  
19          1116(c)(6) to parents of each student enrolled  
20          in a school served by a local educational agency  
21          identified for school improvement or corrective  
22          action under paragraph (1) or (7) of section  
23          1116(c), information (in a language that the  
24          parents can understand) about the eligible pub-

1           lic charter schools receiving subgrants under  
2           this section.

3           “(3) MODIFICATIONS.—The Secretary may  
4           modify or waive any information requirement under  
5           paragraph (2)(C) for an eligible entity that dem-  
6           onstrates that the eligible entity cannot reasonably  
7           obtain the information.

8           “(d) PRIORITIES FOR AWARDING GRANTS.—

9           “(1) IN GENERAL.—In awarding grants under  
10          this section, the Secretary shall give priority to an  
11          eligible entity that—

12                 “(A) serves or plans to serve a large per-  
13                 centage of low-income students from identified  
14                 schools or public schools with a low graduation  
15                 rate;

16                 “(B) oversees or plans to oversee one or  
17                 more eligible public charter schools;

18                 “(C) provides evidence of effective moni-  
19                 toring of the academic success of students who  
20                 attend public charter schools under the jurisdic-  
21                 tion of the eligible entity;

22                 “(D) has established goals, objectives, and  
23                 outcomes for the proposed project that are  
24                 clearly specified, measurable, and attainable;

1           “(E) in the case of an eligible entity that  
2 is a local educational agency under State law,  
3 has a cooperative agreement under section  
4 1116(b)(11); and

5           “(F) is under the jurisdiction of, or plans  
6 to award subgrants under this section in, a  
7 State that—

8           “(i) ensures that all public charter  
9 schools (including such schools served by a  
10 local educational agency and such schools  
11 considered to be a local educational agency  
12 under State law) receive, in a timely man-  
13 ner, the Federal, State, and local funds to  
14 which such schools are entitled under ap-  
15 plicable law;

16           “(ii) does not have a cap that restricts  
17 the growth of public charter schools in the  
18 State;

19           “(iii) provides funding (such as cap-  
20 ital aid distributed through a formula or  
21 access to revenue generated bonds, and in-  
22 cluding funding for school facilities) on a  
23 per-pupil basis to public charter schools  
24 commensurate with the amount of funding

1 (including funding for school facilities)  
2 provided to traditional public schools;

3 “(iv) provides strong evidence of sup-  
4 port for public charter schools and has in  
5 place innovative policies that support aca-  
6 demically successful charter school growth;

7 “(v) authorizes public charter schools  
8 to offer early childhood education pro-  
9 grams, including prekindergarten, in ac-  
10 cordance with State law;

11 “(vi) authorizes or allows public char-  
12 ter schools to serve as school food authori-  
13 ties;

14 “(vii) ensures that each public charter  
15 school in the State—

16 “(I) has a high degree of auton-  
17 omy over the public charter school’s  
18 budget and expenditures;

19 “(II) has a written performance  
20 contract with an authorized public  
21 chartering agency that ensures that  
22 the school has an independent gov-  
23 erning board with a high degree of  
24 autonomy; and

1           “(III) in the case of an eligible  
2           public charter school receiving a  
3           subgrant under this section, amends  
4           its charter to reflect the growth activi-  
5           ties described in subsection (e);

6           “(viii) has an appeals process for the  
7           denial of an application for a public char-  
8           ter school;

9           “(ix) provides that an authorized pub-  
10          lic chartering agency that is not a local  
11          educational agency, such as a State char-  
12          tering board, is available for each indi-  
13          vidual or entity seeking to operate a public  
14          charter school pursuant to such State law;

15          “(x) allows any public charter school  
16          to be a local educational agency in accord-  
17          ance with State law;

18          “(xi) ensures that each authorized  
19          public chartering agency in the State sub-  
20          mits annual reports to the State edu-  
21          cational agency, and makes such reports  
22          available to the public, on the performance  
23          of the schools authorized or approved by  
24          such public chartering agency, which re-  
25          ports shall include—

1           “(I) the authorized public char-  
2           tering agency’s strategic plan for au-  
3           thorizing or approving public charter  
4           schools and any progress toward  
5           achieving the objectives of the stra-  
6           tegic plan;

7           “(II) the authorized public char-  
8           tering agency’s policies for authorizing  
9           or approving public charter schools,  
10          including how such policies examine a  
11          school’s—

12                   “(aa) financial plan and  
13                   policies, including financial con-  
14                   trols and audit requirements;

15                   “(bb) plan for identifying  
16                   and successfully (in compliance  
17                   with all applicable laws and regu-  
18                   lations) serving students with  
19                   disabilities, students who are  
20                   English language learners, stu-  
21                   dents who are academically be-  
22                   hind their peers, and gifted stu-  
23                   dents; and

24                   “(cc) capacity and capability  
25                   to successfully launch and subse-

1                    frequently operate a public charter  
2                    school, including the backgrounds  
3                    of the individuals applying to the  
4                    agency to operate such school  
5                    and any record of such individ-  
6                    uals operating a school;

7                    “(III) the authorized public char-  
8                    tering agency’s policies for renewing,  
9                    not renewing, and revoking a public  
10                   charter school’s charter, including the  
11                   role of student academic achievement  
12                   in such decisions;

13                   “(IV) the authorized public char-  
14                   tering agency’s transparent, timely,  
15                   and effective process for closing down  
16                   academically unsuccessful public char-  
17                   ter schools;

18                   “(V) the academic performance  
19                   of each operating public charter  
20                   school authorized or approved by the  
21                   authorized public chartering agency,  
22                   including the information reported by  
23                   the State in the State annual report  
24                   card under section 1111(h)(1)(C) for  
25                   such school;

1           “(VI) the status of the author-  
2           ized public chartering agency’s charter  
3           school portfolio, by identifying all  
4           charter schools served by the public  
5           chartering agency in each of the fol-  
6           lowing categories: approved (but not  
7           yet open), operating, renewed, trans-  
8           ferred, revoked, not renewed, volun-  
9           tarily closed, or never opened;

10           “(VII) the authorizing functions  
11           provided by the authorized public  
12           chartering agency to the public char-  
13           ter schools under its purview, includ-  
14           ing such agency’s operating costs and  
15           expenses as detailed through annual  
16           auditing of financial statements that  
17           conform with general accepted ac-  
18           counting principles; and

19           “(VIII) the services purchased  
20           (such as accounting, transportation,  
21           and data management and analysis)  
22           from the authorized public chartering  
23           agency by the public charter schools  
24           authorized or approved by such agen-  
25           cy, including an itemized accounting

1 of the actual costs of such services;  
2 and

3 “(xii) has or will have (within 1 year  
4 after receiving a grant under this section)  
5 a State policy and process for overseeing  
6 and reviewing the effectiveness and quality  
7 of the State’s authorized public chartering  
8 agencies, including—

9 “(I) a process for reviewing and  
10 evaluating the performance of the au-  
11 thORIZED public chartering agencies in  
12 authorizing or approving public char-  
13 ter schools, including a process that  
14 enables the authorized public char-  
15 tering agencies to respond to any  
16 State concerns; and

17 “(II) any other necessary policies  
18 to ensure effective charter school au-  
19 thORIZING in the State in accordance  
20 with the principles of quality charter  
21 school authorizing, as determined by  
22 the State in consultation with the  
23 charter school community and stake-  
24 holders.

1           “(2) SPECIAL RULE.—In awarding grants  
2           under this section, the Secretary may determine how  
3           the priorities described in paragraph (1) will apply  
4           to the different types of eligible entities defined in  
5           subsection (k)(4).

6           “(e) USE OF FUNDS.—An eligible entity receiving a  
7           grant under this section shall use the grant funds for the  
8           following:

9           “(1) SUBGRANTS.—

10           “(A) IN GENERAL.—To award subgrants,  
11           in such amount as the eligible entity determines  
12           is appropriate, to eligible public charter schools  
13           to replicate or expand such schools.

14           “(B) APPLICATION.—An eligible public  
15           charter school desiring to receive a subgrant  
16           under this subsection shall submit an applica-  
17           tion to the eligible entity at such time, in such  
18           manner, and containing such information as the  
19           eligible entity may require.

20           “(C) USES OF FUNDS.—An eligible public  
21           charter school receiving a subgrant under this  
22           subsection shall use the subgrant funds to pro-  
23           vide for an increase in the school’s enrollment  
24           of students through the replication or expansion

1 of the school, which may include use of funds  
2 to—

3 “(i) support the physical expansion of  
4 school buildings, including financing the  
5 development of new buildings and cam-  
6 puses to meet increased enrollment needs;

7 “(ii) pay costs associated with hiring  
8 additional teachers to serve additional stu-  
9 dents;

10 “(iii) provide transportation to addi-  
11 tional students to and from the school, in-  
12 cluding providing transportation to stu-  
13 dents who transfer to the school under a  
14 cooperative agreement established under  
15 section 1116(b)(11);

16 “(iv) purchase instructional materials,  
17 implement teacher and principal profes-  
18 sional development programs, and hire ad-  
19 ditional non-teaching staff; and

20 “(v) support any necessary activities  
21 associated with the school carrying out the  
22 purposes of this section.

23 “(D) PRIORITY.—In awarding subgrants  
24 under this subsection, an eligible entity shall

1 give priority to an eligible public charter  
2 school—

3 “(i) that has significantly closed any  
4 achievement gap on the State academic as-  
5 sessments described in section 1111(b)(3)  
6 among the groups of students described in  
7 section 1111(b)(2)(C)(v) by improving  
8 scores;

9 “(ii) that—

10 “(I)(aa) ranks in at least the top  
11 25th percentile of the schools in the  
12 State, as ranked by the percentage of  
13 students in the proficient or advanced  
14 level of achievement on the State aca-  
15 demic assessments in mathematics  
16 and reading or language arts de-  
17 scribed in section 1111(b)(3); or

18 “(bb) has an average student  
19 score on an examination (chosen by  
20 the Secretary) that is at least in the  
21 60th percentile in reading and at least  
22 in the 75th percentile in mathematics;  
23 and

24 “(II) serves a high-need student  
25 population and is eligible to partici-

1           pate in a schoolwide program under  
2           section 1114, with additional priority  
3           given to schools that serve, as com-  
4           pared to other schools that have sub-  
5           mitted an application under this sub-  
6           section—

7                   “(aa) a greater percentage  
8                   of low-income students; and

9                   “(bb) a greater percentage  
10                  of not less than 2 groups of stu-  
11                  dents described in section  
12                  1111(b)(2)(C)(v)(II); and

13                  “(iii) that meets the criteria described  
14                  in clause (i) and serves low-income stu-  
15                  dents who have transferred to such school  
16                  under a cooperative agreement described in  
17                  section 1116(b)(11).

18                  “(E) DURATION OF SUBGRANT.—A  
19                  subgrant under this subsection shall be awarded  
20                  for a period of not more than 3 years, except  
21                  that an eligible public charter school receiving a  
22                  subgrant under this subsection may, at the dis-  
23                  cretion of the eligible entity, continue to expend  
24                  subgrant funds after the end of the subgrant  
25                  period.

1           “(2) FACILITY FINANCING AND REVOLVING  
2           LOAN FUND.—An eligible entity may use not more  
3           than 25 percent of the amount of the grant funds  
4           received under this section to establish a reserve ac-  
5           count described in subsection (f) to facilitate public  
6           charter school facility acquisition and development  
7           by—

8                   “(A) conducting credit enhancement initia-  
9                   tives (as referred to in subpart 2) in support of  
10                  the development of facilities for eligible public  
11                  charter schools serving students;

12                   “(B) establishing a revolving loan fund for  
13                   use by an eligible public charter school receiving  
14                   a subgrant under this subsection from the eligi-  
15                   ble entity under such terms as may be deter-  
16                   mined by the eligible entity to allow such school  
17                   to expand to serve additional students;

18                   “(C) facilitating, through direct expendi-  
19                   ture or financing, the acquisition or develop-  
20                   ment of public charter school buildings by the  
21                   eligible entity or an eligible public charter  
22                   school receiving a subgrant under this sub-  
23                   section from the eligible entity, which may be  
24                   used as both permanent locations for eligible

1 public charter schools or incubators for growing  
2 charter schools; or

3 “(D) establishing a partnership with 1 or  
4 more community development financial institu-  
5 tions (as defined in section 103 of the Commu-  
6 nity Development Banking and Financial Insti-  
7 tutions Act of 1994 (12 U.S.C. 4702)) or other  
8 mission-based financial institutions to carry out  
9 the activities described in subparagraphs (A),  
10 (B), and (C).

11 “(3) ADMINISTRATIVE TASKS, DISSEMINATION  
12 ACTIVITIES, AND OUTREACH.—

13 “(A) IN GENERAL.—An eligible entity may  
14 use not more than 7.5 percent of the grant  
15 funds awarded under this section to cover ad-  
16 ministrative tasks, dissemination activities, and  
17 outreach.

18 “(B) NONPROFIT ASSISTANCE.—In car-  
19 rying out the administrative tasks, dissemina-  
20 tion activities, and outreach described in sub-  
21 paragraph (A), an eligible entity may contract  
22 with an organization described in section  
23 501(c)(3) of the Internal Revenue Code of 1986  
24 (26 U.S.C. 501(c)(3)) and exempt from tax

1           under section 501(a) of such Code (26 U.S.C.  
2           501(a)).

3           “(f) RESERVE ACCOUNT.—

4           “(1) IN GENERAL.—To assist eligible entities in  
5           the development of new public charter school build-  
6           ings or facilities for eligible public charter schools,  
7           an eligible entity receiving a grant under this section  
8           may, in accordance with State and local law, directly  
9           or indirectly, alone or in collaboration with others,  
10          deposit the amount of funds described in subsection  
11          (e)(2) in a reserve account established and main-  
12          tained by the eligible entity.

13          “(2) INVESTMENT.—Funds received under this  
14          section and deposited in the reserve account estab-  
15          lished under this subsection shall be invested in obli-  
16          gations issued or guaranteed by the United States or  
17          a State, or in other similarly low-risk securities.

18          “(3) REINVESTMENT OF EARNINGS.—Any earn-  
19          ings on funds received under this subsection shall be  
20          deposited in the reserve account established under  
21          this section and used in accordance with the purpose  
22          described in subsection (a).

23          “(4) RECOVERY OF FUNDS.—

1           “(A) IN GENERAL.—The Secretary, in ac-  
2 cordance with chapter 37 of title 31, United  
3 States Code, shall collect—

4           “(i) all funds in a reserve account es-  
5 tablished by an eligible entity under this  
6 subsection if the Secretary determines, not  
7 earlier than 2 years after the date the eli-  
8 gible entity first received funds under this  
9 section, that the eligible entity has failed to  
10 make substantial progress carrying out the  
11 purpose described in paragraph (1); or

12           “(ii) all or a portion of the funds in  
13 a reserve account established by an eligible  
14 entity under this subsection if the Sec-  
15 retary determines that the eligible entity  
16 has permanently ceased to use all or a por-  
17 tion of funds in such account to accomplish  
18 the purpose described in paragraph (1).

19           “(B) EXERCISE OF AUTHORITY.—The Sec-  
20 retary shall not exercise the authority provided  
21 under subparagraph (A) to collect from any eli-  
22 gible entity any funds that are being properly  
23 used to achieve such purpose.

24           “(C) PROCEDURES.—Sections 451, 452,  
25 and 458 of the General Education Provisions

1 Act shall apply to the recovery of funds under  
2 subparagraph (A).

3 “(D) CONSTRUCTION.—This paragraph  
4 shall not be construed to impair or affect the  
5 authority of the Secretary to recover funds  
6 under part D of the General Education Provi-  
7 sions Act.

8 “(5) REALLOCATION.—Any funds collected by  
9 the Secretary under paragraph (4) shall be awarded  
10 to eligible entities receiving grants under this section  
11 in the next fiscal year.

12 “(g) FINANCIAL RESPONSIBILITY.—The financial  
13 records of each eligible entity and eligible public charter  
14 school receiving a grant or subgrant, respectively, under  
15 this section shall be maintained in accordance with gen-  
16 erally accepted accounting principles and shall be subject  
17 to an annual audit by an independent public accountant.

18 “(h) NATIONAL EVALUATION.—

19 “(1) NATIONAL EVALUATION.—From the  
20 amounts appropriated under section 5200, the Sec-  
21 retary shall conduct an independent, comprehensive,  
22 and scientifically sound evaluation, by grant or con-  
23 tract and using the highest quality research design  
24 available, of the impact of the activities carried out  
25 under this section on—

1           “(A) student achievement, including State  
2           standardized assessment scores and, if avail-  
3           able, student academic longitudinal growth (as  
4           described in subsection (c)(2)(A)(i)) based on  
5           such assessments; and

6           “(B) other areas, as determined by the  
7           Secretary.

8           “(2) REPORT.—Not later than 4 years after the  
9           date of the enactment of the All Students Achieving  
10          through Reform Act of 2011, and biannually there-  
11          after, the Secretary shall submit to Congress a re-  
12          port on the results of the evaluation described in  
13          paragraph (1).

14          “(i) REPORTS.—Each eligible entity receiving a grant  
15          under this section shall prepare and submit to the Sec-  
16          retary the following:

17               “(1) REPORT.—A report that contains such in-  
18               formation as the Secretary may require concerning  
19               use of the grant funds by the eligible entity, includ-  
20               ing the academic achievement of the students at-  
21               tending eligible public charter schools as a result of  
22               the grant. Such report shall be submitted before the  
23               end of the 3-year period beginning on the date of en-  
24               actment of the All Students Achieving through Re-  
25               form Act of 2011 and every 2 years thereafter.

1           “(2) PERFORMANCE INFORMATION.—Such per-  
2           formance information as the Secretary may require  
3           for the national evaluation conducted under sub-  
4           section (h)(1).

5           “(j) INAPPLICABILITY.—The provisions of sections  
6           5201 through 5209 shall not apply to the program under  
7           this section.

8           “(k) DEFINITIONS.—In this section:

9           “(1) ADEQUATE YEARLY PROGRESS.—The term  
10          ‘adequate yearly progress’ has the meaning given  
11          such term in a State’s plan in accordance with sec-  
12          tion 1111(b)(2)(C).

13          “(2) ADMINISTRATIVE TASKS, DISSEMINATION  
14          ACTIVITIES, AND OUTREACH.—The term ‘adminis-  
15          trative tasks, dissemination activities, and outreach’  
16          includes costs and activities associated with—

17                 “(A) recruiting and selecting students to  
18                 attend eligible public charter schools;

19                 “(B) outreach to parents of students en-  
20                 rolled in identified schools or schools with low  
21                 graduation rates;

22                 “(C) providing information to such parents  
23                 and school officials at such schools regarding el-  
24                 igible public charter schools receiving subgrants  
25                 under this section;

1           “(D) necessary oversight of the grant pro-  
2           gram under this section; and

3           “(E) initiatives and activities to dissemi-  
4           nate the best practices, programs, or strategies  
5           learned in eligible public charter schools to  
6           other public schools operating in the State  
7           where the eligible entity intends to award sub-  
8           grants under this section.

9           “(3) CHARTER SCHOOL.—The term ‘charter  
10          school’ means—

11           “(A) a charter school, as defined in section  
12           5211(1); or

13           “(B) a school that meets the requirements  
14           of such section, except for subparagraph (D) of  
15           the section, and provides prekindergarten or  
16           adult education services.

17           “(4) ELIGIBLE ENTITY.—The term ‘eligible en-  
18          tity’ means—

19           “(A) a State educational agency;

20           “(B) an authorized public chartering agen-  
21          cy;

22           “(C) a local educational agency that has  
23           authorized or is planning to authorize a public  
24           charter school; or

1           “(D) an organization, including a non-  
 2           profit charter management organization, that  
 3           has an organizational mission and record of  
 4           success supporting the replication and expan-  
 5           sion of high-quality charter schools and is—

6                   “(i) described in section 501(c)(3) of  
 7                   the Internal Revenue Code of 1986 (26  
 8                   U.S.C. 501(c)(3)); and

9                   “(ii) exempt from tax under section  
 10                  501(a) of such Code (26 U.S.C. 501(a)).

11           “(5) ELIGIBLE PUBLIC CHARTER SCHOOL.—  
 12           The term ‘eligible public charter school’ means a  
 13           charter school, including a public charter school that  
 14           is being developed by a developer, that—

15                   “(A) has made adequate yearly progress  
 16                   for 2 of the last 3 consecutive school years; and

17                   “(B) in the case of a public charter school  
 18                   that is a secondary school, has, for the most re-  
 19                   cent school year for which data is available, met  
 20                   or exceeded the graduation rate required by the  
 21                   State in order to make adequate yearly progress  
 22                   for such year.

23           “(6) GRADUATION RATE.—The term ‘gradua-  
 24           tion rate’ has the meaning given the term in section  
 25           1111(b)(2)(C)(vi), as clarified in section

1 200.19(b)(1) of title 34, Code of Federal Regula-  
2 tions.

3 “(7) IDENTIFIED SCHOOL.—The term ‘identi-  
4 fied school’ means a school identified for school im-  
5 provement, corrective action, or restructuring under  
6 paragraph (1), (7), or (8) of section 1116(b).

7 “(8) LOCAL EDUCATIONAL AGENCY.—The term  
8 ‘local educational agency’ includes any charter school  
9 that is a local educational agency, as determined by  
10 State law.

11 “(9) LOW-INCOME STUDENT.—The term ‘low-  
12 income student’ means a student eligible for free or  
13 reduced price lunches under the Richard B. Russell  
14 National School Lunch Act (42 U.S.C. 1751 et  
15 seq.).

16 “(10) SCHOOL FOOD AUTHORITY.—The term  
17 ‘school food authority’ has the meaning given the  
18 term in section 250.3 of title 7, Code of Federal  
19 Regulations (or any corresponding similar regulation  
20 or ruling).

21 “(11) SCHOOL YEAR.—The term ‘school year’  
22 has the meaning given such term in section 12(d) of  
23 the Richard B. Russell National School Lunch Act  
24 (42 U.S.C. 1760(d)).



1 (1) in section 2102(2) (20 U.S.C. 6602(2)), by  
2 striking “5210” and inserting “5211”;

3 (2) in section 5204(e) (20 U.S.C. 7221c(e)), by  
4 striking “5210(1)” and inserting “5211(1)”;

5 (3) in section 5211(1) (as redesignated by sub-  
6 section (a)(2)) (20 U.S.C. 7221i(1)), by striking  
7 “The term” and inserting “Except as otherwise pro-  
8 vided, the term”;

9 (4) in section 5230(1) (20 U.S.C. 7223i(1)), by  
10 striking “5210” and inserting “5211”; and

11 (5) in section 5247(1) (20 U.S.C. 7225f(1)), by  
12 striking “5210” and inserting “5211”.

13 (d) TABLE OF CONTENTS.—The table of contents of  
14 the Elementary and Secondary Education Act of 1965 is  
15 amended—

16 (1) by inserting before the item relating to sub-  
17 part 1 of part B of title V the following:

“Sec. 5200. Authorization of appropriations for subparts 1 and 2.”;

18 (2) by striking the items relating to sections  
19 5210 and 5211;

20 (3) by inserting after the item relating to sec-  
21 tion 5209 the following:

“Sec. 5210. Charter school expansion and replication.

“Sec. 5211. Definitions.”;

22 and

1           (4) by striking the item relating to section  
2       5231.

○